IN THE UNITED STATES DISTRICT COURT

FOR THE EASTERN DISTRICT OF PENNSYLVANIA

UNITED STATES OF AMERICA :	**CRIMINAL NO. _____**	
v.	**:**	**DATE FILED: _____**
DAVID MAZER	**:**	**VIOLATIONS:** **18 U.S.C. § 1347 (health care fraud - 12 counts)** **18 U.S.C. § 1341 (mail fraud - 18 counts)**

INDICTMENT

COUNTS ONE THROUGH TWELVE

THE GRAND JURY CHARGES THAT:

At all times relevant to this indictment:

1. Defendant DAVID MAZER was the operator of Women's Medical Group ("Women's Medical") located at 4569 Cottman Avenue, Philadelphia, PA.

2. Through Women's Medical, defendant DAVID MAZER sold items of durable medical equipment, such as canes and wheelchairs, to customers, and billed the federal Medicare program for reimbursement.

3. From in or about January 1999 through in or about January 2004, defendant DAVID MAZER executed and attempted to execute a scheme and artifice to defraud the federal Medicare program by submitting false and fraudulent claims for reimbursement for the sale and delivery of durable medical equipment to customers.

The Medicare Program

4. Medicare was a federally funded health insurance program designed to provide medical care to eligible persons, known as "beneficiaries," who are primarily individuals who are elderly (over age 65), blind or disabled. Medicare was administered by the Health Care Financing Administration ("HCFA") (now the Centers for Medicare and Medicaid Services, or "CMS"), an agency of the United States Department of Health and Human Services. Medicare was a "health care benefit program" as defined by 18 U.S.C. § 24(b).

5. The program known as "Medicare Part B" paid for certain physician and outpatient services provided to beneficiaries, and for health services and supplies including the provision of items of durable medical equipment. Medicare Part B will only pay for durable medical equipment which is prescribed by a physician for a Medicare beneficiary patient, and which the physician determines is medically necessary for that patient.

6. HCFA and CMS contracted with private insurance organizations, known as "carriers" or "intermediaries," to process and pay claims submitted by health care providers for reimbursement by Medicare. The Durable Medical Equipment Regional Carrier ("DMERC") responsible for durable medical equipment claims for Medicare beneficiaries located in Pennsylvania and New Jersey was United Health Care, Inc. (up to September 2000) and then HealthNow New York, Inc.

7. Medicare will only pay claims for durable medical equipment submitted by suppliers who have applied to the National Supplier Clearinghouse, and received a unique identification number known as a "supplier number."

8. A durable medical equipment supplier with a valid supplier number could

submit claims to the DMERC, for payment by Medicare, for equipment that the supplier sold to Medicare beneficiaries. The supplier submitted those claims on a form called the "HCFA Form 1500."

9. The HCFA Form 1500 required an equipment supplier to include several items of information, including the supplier number, the beneficiary's name and unique Medicare identification number, and the identity of the doctor who prescribed or ordered the equipment. The supplier also had to note on the Form 1500 the date of service, and the specifics about the equipment provided.

10. The supplier was required to identify each particular item sold to the beneficiary through a specific numerical code. These codes were established by the Department of Health and Human Services in the HCFA Common Procedure Coding System (known as "HCPCS codes"). If the DMERC approved the claim, the amount of reimbursement to the supplier would be determined based on each specific numerical HCPCS code, which in turn was to match the actual item supplied to the beneficiary.

11. In seeking reimbursement for a wheelchair, the supplier was required to submit the HCFA Form 1500 with a Certificate of Medical Necessity. That Certificate was a verification from the beneficiary's physician that the items of durable medical equipment on the claim form were medically necessary for the beneficiary. As the Certificate's instructions state, the physician and not the equipment supplier was required to complete the medical information on the Certificate of Medical Necessity, and sign it.

12. Medicare required that the supplier certify that all of the information on the HCFA 1500 claim form was accurate.

13. To combat abuse by suppliers of durable medical equipment, federal law prohibited these suppliers from soliciting customers through telemarketing, with certain narrow exceptions. This law prohibited payment from Medicare for any item furnished to a customer after an unsolicited telephone contact from the supplier. 42 U.S.C. § 1395m(a)(17).

Mazer's Business Operations

14. Defendant DAVID MAZER submitted false and fraudulent claims for Medicare payment in several ways, including: (1) billing for items that he did not provide; (2) billing for higher-cost items than he actually sold; (3) billing for new equipment when, in fact, he supplied used equipment; and (4) falsifying Certificates of Medical Necessity to support his claims.

15. Defendant DAVID MAZER employed staff to make unsolicited telephone calls to potential Medicare customers, and to offer these persons various items of durable medical equipment. Defendant MAZER purchased lists for his telemarketing staff, containing the names, addresses and telephone numbers of people in areas that he knew had a high proportion of elderly and/or poor people. Defendant MAZER directed his staff to offer equipment only to individuals who were covered by Medicare Part B, and to inform these potential customers that Medicare would pay for the equipment, which would be free of charge to them.

16. Defendant DAVID MAZER directed his staff to obtain from the customer the identity of the customer's doctor so that defendant MAZER could mail a Certificate of Medical Necessity for the doctor to sign.

17. On occasion, and contrary to federal requirements, defendant DAVID MAZER completed the medical information on the Certificate of Medical Necessity himself.

18. If the customer's doctor signed the Certificate of Medical Necessity and returned it to Women's Medical, defendant DAVID MAZER regularly added items of durable medical equipment to those listed on the already-signed Certificates.

19. Defendant DAVID MAZER would then have delivered to his Medicare beneficiary customers items of medical equipment that were significantly less elaborate, and significantly less expensive, than those items listed on the Certificate of Medical Necessity.

20. Defendant DAVID MAZER then billed Medicare for the more expensive equipment that he did not provide, often using altered or forged Certificates of Medical Necessity to support his claims.

21. As standard operating procedure, defendant DAVID MAZER supplied knee supports to customers, whether or not these were medically necessary. Instead of using the HCPCS code that applied to these basic knee supports, defendant MAZER billed Medicare for more expensive knee supports with pads and joints, using a different HCPCS billing code, resulting in higher payment to Women's Medical.

22. Defendant DAVID MAZER routinely supplied prefabricated, mass-produced back braces, and billed Medicare instead for custom-fabricated back braces, using the HCPCS code number for the more expensive back support, resulting in higher payment to Women's Medical.

23. Defendant DAVID MAZER regularly supplied customers with motorized scooters, and billed for more expensive power wheelchairs, using a HCPCS code for the more expensive items, again resulting in higher payment to Women's Medical.

24. Defendant DAVID MAZER regularly padded his HCFA Forms 1500 by

adding claims for certain accessories to wheelchairs, which he did not in fact provide.

25. On occasion, defendant DAVID MAZER supplied customers with used wheelchairs, and billed Medicare for new wheelchairs, often with accessories.

26. Through these patterns of fraudulent overcharging, defendant DAVID MAZER caused a loss to Medicare of over $200,000.

27. Medicare will only cover one wheelchair per beneficiary every five years. Thus, by billing for wheelchairs when he in fact provided motorized scooters, defendant DAVID MAZER caused those customers to loose their Medicare entitlement to reimbursement for a wheelchair. If a MAZER customer actually came to need a wheelchair within five years of defendant MAZER's false claim for a wheelchair, Medicare would not then pay for that needed equipment.

28. On or about the dates listed below, in the Eastern District of Pennsylvania and elsewhere, defendant

DAVID MAZER

knowingly and willfully executed a scheme and artifice to defraud a health care benefit program, that is the federal Medicare program, and to obtain money and property owned by and under the custody and control of that health care benefit program, by means of false and fraudulent pretenses, representations, and promises, in connection with the delivery of and payment for health care benefits, items, and services, by submitting and causing to be submitted false and fraudulent claims forms to the Medicare program for durable medical equipment when, as he knew, he had not provided those items of equipment, instead providing fewer and less expensive

items of equipment, and by supporting these claims with Certificates of Medical Necessity which he had forged and altered, each submission constituting a separate count, as set forth below:

Count	Medicare Beneficiary	Date of Claim	Items Claimed	Why False and Fraudulent
1	L.W.	12/25/99	New power wheelchair, with accessories	Scooter delivered
2	L.H.	4/25/00	New power wheelchair, with accessories	Nothing delivered
3	M.E.	10/30/00	New power wheelchair, with accessories	Nothing delivered Patient's signature forged Patient had moved
4	D.C.	10/05/01	New power wheelchair, with accessories	Used wheelchair delivered
5	P.Z.	10/15/01	New power wheelchair, with accessories	Scooter delivered
6	D.R.	10/15/01	New power wheelchair, with accessories	Falsified Certificate of Medical Necessity
7	I.A.	03/13/02	New power wheelchair, with accessories	Nothing delivered Falsified Certificate of Medical Necessity
8	M.B.	05/06/02	New power wheelchair, with accessories	Scooter delivered
9	J.C.	12/26/00	Custom-fabricated back brace	Regular back support delivered
10	F.H.	6/19/01	Knee support with pads and joints	No knee support delivered
11	E.A.	3/15/02	Knee support with pads and joints	Regular knee support delivered
12	R.P.	6/26/02	Custom-fabricated back brace Knee support with pads and joints	Regular back and knee supports delivered

All in violation of Title 18, United States Code, Section 1347.

COUNTS THIRTEEN THROUGH THIRTY

THE GRAND JURY FURTHER CHARGES THAT:

At all times relevant to this indictment:

1. Paragraphs 1, 2, and 4 through 27 of Counts One through Twelve are incorporated here.

THE SCHEME

2. From in or about January 1999 to in or about January 2004, defendant

DAVID MAZER

devised and intended to devise a scheme to defraud the federal Medicare program, and to obtain money and property by means of false and fraudulent pretenses, representations and promises.

It was part of the scheme that:

3. Defendant DAVID MAZER mailed false and fraudulent claims to the Medicare carrier, which the carrier paid by check delivered to defendant MAZER by mail.

4. On or about the dates set forth below, in the Eastern District of Pennsylvania and elsewhere, defendant

DAVID MAZER,

for the purpose of executing the scheme described above, and attempting to do so, knowingly caused to be delivered by mail, according to the directions thereon, false and fraudulent claims to the Medicare carrier, and checks from the Medicare carrier payable to Women's Medical Services, in payment of defendant MAZER's false and fraudulent claims, each mailing constituting a separate count, as set forth below.

Count	Medicare Beneficiary	Date of Mailing	Item Mailed
13	J.C.	12/26/00	False and fraudulent claim for custom-fabricated back brace, from MAZER to DMERC
14	J.C.	2/26/01	Check in the amount of $2,004.49 from DMERC to MAZER in payment (in part) of false and fraudulent claim for custom-fabricated back brace
15	R.P.	6/26/02	False and fraudulent claim for custom-fabricated back brace, and knee support with pads and joints, from MAZER to DMERC
16	R.P.	7/30/02	Check in the amount of $3,116.82 from DMERC to MAZER in payment (in part) of false and fraudulent claim for custom-fabricated back brace, and knee supports with pads and joints
17	L.H.	4/25/00	False and fraudulent claim for new power wheelchair, with accessories, from MAZER to DMERC
18	L.H.	5/31/00	Check in the amount of $5,655.26 from DMERC to MAZER in payment (in part) of false and fraudulent claim for new power wheelchair, with accessories
19	M.E.	10/30/00	False and fraudulent claim for new power wheelchair, with accessories, from MAZER to DMERC
20	M.E.	12/06/00	Check in the amount of $6,491.81 from DMERC to MAZER in payment (in part) of false and fraudulent claim for new power wheelchair, with accessories
21	D.C.	10/05/01	False and fraudulent claim for new power wheelchair, with accessories, from MAZER to DMERC
22	D.C.	11/15/01	Check in the amount of $8,387.41 from DMERC to MAZER in payment (in part) of false and fraudulent claim for new power wheelchair, with accessories

23	P.Z.	10/15/01	False and fraudulent claim for new power wheelchair, with accessories, from MAZER to DMERC
24	P.Z.	11/26/01	Check in the amount of $14,054.30 from DMERC to MAZER in payment (in part) of false and fraudulent claim for new power wheelchair, with accessories
25	D.R.	10/15/01	False and fraudulent claim for new power wheelchair, with accessories, from MAZER to DMERC
26	D.R.	11/26/01	Check in the amount of $14,054.30 from DMERC to MAZER in payment (in part) of false and fraudulent claim for new power wheelchair, with accessories
27	I.A.	03/13/02	False and fraudulent claim for new power wheelchair, with accessories, from MAZER to DMERC
28	I.A.	4/19/02	Check in the amount of $16,282.04 from DMERC to MAZER in payment (in part) of false and fraudulent claim for new power wheelchair, with accessories
29	M.B.	05/06/02	False and fraudulent claim for new power wheelchair, with accessories, from MAZER to DMERC
30	M.B.	06/20/02	Check in the amount of $7,015.05 from DMERC to MAZER in payment (in part) of false and fraudulent claim for new power wheelchair, with accessories

All in violation of Title 18, United States Code, Section 1341.

A TRUE BILL:

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GRAND JURY FOREPERSON

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PATRICK L. MEEHAN
UNITED STATES ATTORNEY